INTELLOFAX 14

OCI

FORM NO. 51-AAA
FEB 1952

CENTRAL INTELLIGENCE AGENCY

50X1-HUM

CLASSIFICATION SECRET/CONTROL - U.S. OFFICIALS ONLY
SECURITY INFORMATION

INFORMATION REPORT

REPORT

CD NO.

COUNTRY Rumania

SUBJECT 1. The 23 August Factory
2. The Uzinele de Tuburi Republica Factory
3. The 6 March Factory

DATE DISTR. 10 April 1952

NO. OF PAGES 4

DATE OF INFO.

NO. OF ENCLS. (LISTED BELOW)

PLACE ACQUIRED

SUPPLEMENT TO REPORT NO.

50X1-HUM

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18, SECTIONS 793 AND 794, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVELATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. THE REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

50X1-HUM

1. The former Malaxa group of factories in Rumania have been renamed:

   a. The Nicolae Malaxa Fabrica de Locomotive, Statia Titan, Bucharest, is now known as the 23 August Factory and produces freight cars, boilers, diesel engines, rail cars, air brakes, pumps and a variety of other items which at the moment are chiefly for the petroleum and cement industries. There is also a category of special items for the Armed Forces Ministry. The total production is 2,500-3,000 tons a month.

   b. The Nicolae Malaxa Tohanul Vechiu, Orasul Stalin (Brasov), is now known as the 6 March Factory and produces munitions at the rate of up to 4,000 tons a month.

2. The total production of the 23 August Factory is at present about 30,000 tons of steel and finished products per annum, valued at about £20 million sterling, but the steel production of the factory is being continually developed for outside uses in Rumania, and if the new furnace is successfully installed production will very greatly increase.

3. The sources of supply of the foundry are the blast furnaces at Hunedoara and Resita and, for certain minerals (for example, manganese, cobalt, tungsten) the USSR. Scrap iron is delivered from various parts of Rumania and Bulgaria Pig iron is sometimes imported, according to necessity, from the USSR. 50X1-HUM

4. The 23 August foundry at present includes: one Siemens-Martin furnace, six tons charge; one Siemens-Martin furnace, six tons charge, constructed on a base designed for a 24-ton furnace; one Siemens-Martin furnace, 24 tons charge, to be completed during 1952; one old double electric furnace, 50X1-HUM

CLASSIFICATION SECRET/CONTROL - U.S. OFFICIALS ONLY

STATE	x	NAVY	x	NSRB		DISTRIBUTION							
	x	FBI		ORR Ev	x								

23770

50X1-HUM

50X1-HUM

50X1-HUM

1.8 tons charge in each part; one furnace, delivered in 1951, of single type, which takes a three ton charge; two rotating furnaces for cast iron; a non-ferrous metal rotating furnace, maximum capacity three tons per month. This and smaller furnaces for non-ferrous alloys normally produce about five tons per month, which covers the internal requirements of the factory.

5. The chief difficulties encountered in the work of the foundry are as follows:

   a. The poor material used in the insulation of electric equipment deteriorates, partly owing to the heat, and this results in frequent short-circuits and stoppages in the work of the overhead cranes.

   b. The machine which regenerates and cleans the sand for the molds, constructed in 1949-1950, was still not functioning by the end of 1951 and the work was carried out manually by 200 workmen.

   c. The bad quality of refractory material and electrodes for electric furnaces reduce their capacity.

   d. Absenteeism (30-40 men for heavy and unpleasant work such as that mentioned in above) and frequent changes in personnel.

6. Production of steam locomotives ceased in March 1951 and the main items of production are now as follows:

   a. Fifty-ton broad-gauge covered railroad freight cars of Soviet type, mounted on two four-wheel bogies, about 100 a month. The freight cars are for export to the USSR and have been produced continuously for many years. Rumanian commitments for these freight cars under Soviet reparations demands have already been completed, and as the present commitments in respect to Soviet-Rumanian Economic Convention orders, of about 2,000 freight cars, are terminated, the works are beginning production of various normal-gauge Rumanian type 25-ton freight cars. It is estimated that the last Soviet type freight car will be finished in 1954-55 while the production of normal type freight cars is just beginning.

   b. During 1951, the production of various type of boilers was heavily increased. The first request from the USSR (partly under the reparations demands and partly under the Economic Convention) was for 60 Suhoff-type boilers per annum, but orders are being received for other types of boilers and for tubular constructions; for example, those used as rotating furnaces in cement works. It is difficult to assess total production, but about 600 men formerly used in making locomotives are now employed on these different kinds of production. The rollers which have been installed for the handling of the boiler plates take plates of six, eight and twelve mm. thickness and have a maximum width of four meters. the recent enlargement of this part of the works and the installation of new machinery are for the ultimate purpose of handling armored plate.

50X1-HUM

   c. About 24 mobile diesel engines of 240 h.p. are produced per year. The production of a larger rail car of 360 h.p. (two motors) is now being studied, also that of a new diesel electric locomotive 50X1-HUM
   modified by the Soviets, which has a 3,000 h.p. engine. The 50X1-HUM
   blueprints were expected to arrive from the USSR at the end of 1951 and production could begin towards the end of 1952. A difficulty will be the provision of the electric motors, et cetera, by the Dinamo works.

d. The 240 h.p. engine has also been adapted and converted to 190 h.p. output for the oil industry. This 190 h.p. engine is now being series-produced. It is a high speed engine suitable for drilling and other development work and is mounted either on a sleigh or on a truck. The sleigh, complete with engine, weighs about three tons. The production of these engines is being pushed and according to plan should reach 240 units per year in 1953. Small numbers of 120 h.p. engines are also produced by the works for the Rumanian railways. There is difficulty, however, in completing their assembly, owing to the frequent requisitioning of finished parts for making repairs. There is no export of rail cars to the USSR because of the difficulty of sending repair teams, without which the rail cars have a very short life.

e. Duplex pumps weigh four tons each and are intended for use in the oil industry, particularly in the draining of slush (oil and water). Production is about six a month, all intended for the USSR.

f. About 130 sets a month of Westinghouse Knorr brakes (including the Matrusoff type brakes) are produced.

g. A new type of Westinghouse brake is being used in large (80 ton) flat cars, intended for fast traffic. During 1951, orders were received for 40 sets of these brakes for despatch to the rolling stock factory in Arad. [redacted] these large flat cars are probably intended for tank transport. 50X1-HUM

h. The tooling department of the factory is being specially developed so as to produce machine tools for the 6 March and other factories, as well as for the 23 August Factory itself. [redacted] no electronic devices are used in the tooling department. There was a possibility of obtaining machines [redacted] based on electronic principles, but it was decided on the basis of Soviet advice not to use them. 50X1-HUM 50X1-HUM

7. In general, the plan is to develop the 23 August Factory, together with those at Resita, Hunedoara, Progresu and Braila, to build all heavy plant and spare parts required in Rumania. Some specially-designed machines will still be delivered from Hungary and a few specialized items from Czechoslovakia [redacted]. This tendency to become independent in heavy industry is handicapped in many cases by the fact that the blueprints supplied from the USSR are not adequate and have to be considerably modified by Rumanian engineers. In other cases the Rumanians, through lack of experience, have not succeeded in adapting for new conditions old blueprints of pre-war German or other foreign machines. For example, the attempt to adapt the plans of the old (1936-38) Stiefel Schloeman tube rolling mills for the construction of a new fourteen inch mill is still meeting with difficulties, although work was begun in 1949. 50X1-HUM

8. The tube mills of the Uzinele de Tuburi Republica Factory have been modified as follows:

a. The former twelve inch tube mill was dismantled in 1943 by the Rumanians and taken away by the Russians in 1947-48. It is believed to have been re-erected near Kiev.

b. The six inch tube mill has been modified to produce eight inch tubes.

c. A new three inch tube mill was constructed and installed during 1950-51. It is probably already in production.

d. A new twelve to fourteen inch tube mill is in course of construction and should be ready for production by 1953-54. It may be adapted to produce sixteen inch tubes.

9. The production of these mills is as follows:

   a. The old plant (up to eight inch tubes) produces regularly from 2,700 to 2,800 tons a month. This figure varies and can temporarily reach as much as 4,000 tons a month according to the caliber of the tube produced.

   b. The three inch mill, when in full production, should produce between 700 and 1,000 tons per month.

   c. The large mill should produce between 2,500 and 3,000 tons per month.

   Thus the total production of the factory, when all three mills are in full production in 1954 will be about 6,000-7,000 tons a month. This is the figure foreseen in the Five Year Plan.

10. Raw material for the mills comes from two main sources:

   a. The 23 August Factory delivers about 1,000 tons of steel a month. Under the Five Year Plan this contribution will be increased to 3,000 tons a month.

   b. At present between 2,000 and 2,500 tons per month come from the USSR in ingot form. By a special convention with the USSR which has been renewed each year for the last three years, imports of raw steel for the tube mills are paid for by export to the USSR of a proportion, between half and two-thirds, of the tubes produced.

   c. The foundries at Resita and Hunedoara also supply raw steel when production from the two sources mentioned above is not sufficient. The plan is to enlarge the foundry of the 23 August Factory, so as to become independent of foreign supplies.

11. Theoretically all armament factories switched to peace-time requirements after the war. At the 6 March Factory personnel were reduced from 6,000-8,000 men to 800, but even this small number could not be kept fully employed from 1945-48. In 1949-50 certain orders were received for artillery ammunition up to about 108 mm. caliber and all former skilled workers were recalled. By the middle of 1951 there were between 2,500 and 3,000 employees and new buildings were being erected. During 1950, the manufacturer of household and other goods, which had been maintained so as to keep the men employed, was given up. No details of production, supplies, et cetera are available since all armament factories are run completely separately from other industries by a department of the Ministry of Industry called lucrari speciale (special projects). This consisted of only a few clerks in 1948-49, grew into a section in 1950-51, and is to be expanded into a department during 1952.